



Senate

General Assembly

File No. 663

February Session, 2018

Substitute Senate Bill No. 203

Senate, May 2, 2018

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist. and SEN. FORMICA of the 20th Dist., Chairpersons of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING CONTINUING EDUCATION CREDITS FOR INSURANCE PRODUCERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-782a of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective July 1, 2018*):

3 The commissioner may adopt regulations in accordance with
4 chapter 54 [relating to the establishment of] to establish continuing
5 education requirements for persons licensed as insurance producers,
6 provided: [the]

7 (1) The commissioner shall suspend such requirements for any
8 person who is a public official during the period such person serves as
9 a public official, if the person is prohibited from selling insurance
10 during that period. As used in this [section] subdivision, "public
11 official" means any state-wide elected officer, any member or member-
12 elect of the General Assembly, or a senator or representative in
13 Congress.

14 (2) If any such regulations require that a person licensed as an
 15 insurance producer earn six or more hours of continuing education
 16 credit during any two-year period, the commissioner shall grant at
 17 least six hours of continuing education credit to such person if such
 18 person is an active member of a state-wide professional insurance
 19 producer association during such period, provided the association
 20 provides the commissioner or the commissioner's designee such
 21 association's active membership information for such two-year period.
 22 As used in this subdivision:

23 (A) "State-wide professional insurance producer association" means
 24 an association that (i) has existed for ten or more years, (ii) derives its
 25 membership from persons licensed as insurance producers in this
 26 state, and (iii) is dedicated to promoting the integrity, trustworthiness,
 27 professionalism and business interests of its members through
 28 education, advocacy, social interaction and the development of sound
 29 business practices; and

30 (B) "Active member" means a person licensed as an insurance
 31 producer in this state who certifies to the commissioner, for the
 32 applicable two-year period, that such person (i) was a member in good
 33 standing of a state-wide professional insurance producer association,
 34 (ii) attended at least one educational meeting, presentation or
 35 conference sponsored by the state-wide professional insurance
 36 producer association during such two-year period, and (iii) read all
 37 ethical standards applicable to such person in such person's capacity as
 38 a licensed insurance producer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2018	38a-782a

APP *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill specifies that a licensed insurance producer can earn continuing education credits for being an active member of a state-wide professional insurance producer association (association) and is not anticipated to result in a fiscal impact to the state.

The bill makes the granting of such credit conditional on the association submitting its active membership information for the relevant period to the Insurance Commissioner or her designated administrator, which will permit the Insurance Department to integrate the active membership information into its continuing education credit program. The program is currently administered by a third party vendor that is paid through approved fees on licensed producers and approved sponsors of continuing education.

The Out Years

State Impact: None

Municipal Impact: None

Sources: Contract with Prometric, Inc.

OLR Bill Analysis**sSB 203*****AN ACT CONCERNING CONTINUING EDUCATION CREDITS FOR INSURANCE PRODUCERS.*****SUMMARY**

This bill requires the insurance commissioner to credit six hours of continuing education during each two-year period to a licensed insurance producer who is an active member of a statewide professional insurance producer association during that period. This applies if (1) regulations require that licensed insurance producers earn at least six hours of continuing education during any two-year period and (2) the association provides the commissioner or her designee its active membership information for the two-year period.

State law allows the commissioner to adopt regulations establishing continuing education requirements for licensed insurance producers. Adopted regulations generally require producers to earn at least 24 hours of continuing education every two years (Conn. Agencies Regs. § 38a-782a-2).

EFFECTIVE DATE: July 1, 2018

DEFINITIONS***Active Member***

Under the bill, an “active member” is a Connecticut-licensed insurance producer who certifies to the insurance commissioner that, for the applicable two-year period, he or she:

1. was a member in good standing of a statewide professional insurance producer association;
2. attended at least one educational meeting, presentation, or

conference sponsored by the association during the two-year period; and

3. read all ethical standards applicable to him or her as a licensed insurance producer.

Statewide Professional Insurance Producer Association

The bill defines a “statewide professional insurance producer association” as an association that:

1. has existed for at least 10 years;
2. has Connecticut-licensed insurance producers as members; and
3. promotes the integrity, trustworthiness, professionalism, and business interests of its members through education, advocacy, social interaction, and the development of sound business practices.

BACKGROUND

Legislative History

The Senate referred the bill (File 98) to the Appropriations Committee, which reported a substitute that makes the underlying bill’s continuing education credit provision contingent on the statewide professional insurance producer association providing the insurance commissioner or her designee its active membership information for the respective two-year period.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 17 Nay 4 (03/15/2018)

Appropriations Committee

Joint Favorable Substitute

Yea 47 Nay 0 (04/24/2018)